Notherlands was made the occasion of fitting congratulations.

The claim of Victor H. McCord against Peru, which for a number of years has been pressed by this Government, and has on several occasions attracted the attention of the Congress, has been satisfactorily adjusted. A protocol was signed May 17, 1898, whereby, the fact of liability being admitted, the question of the amount to be awarded was submitted to the Chief Justice of Canada as sole arbitrator. His award sets the indemnity due the claimant at \$40,000. THE PERUVIAN TREATY.

Government of Peru has given the prescribed notification of its intention to abrogate the treaty of friendship, commerce and navigation concluded with this country August 31, 1887. As that treaty contains many important provisions necessary to the maintenance of commerce and good relations, which could with difficulty be replaced by the negotiation of renewed provisions within the brief twelve months intervening before the treaty terminates, I have invited suggestions by Peru as to the particular provisions it is desired to annul, in the hope of eaching an arrangement whereby the remaining articles may be provisionally saved.

His Majesty the Czar having announced his His Majesty the Czar having announced his purpose to raise the Imperial Russian mission at this capital to the rank of an embassy, I responded, under the authority conferred by the act of March 3, 1863, by commissioning and accrediting the actual representative at St. Petersburg in the capacity of Ambassador Extraordinary and Plenipotentiary. The Russian Ambassador to this country has since presented his credentials. credentials.

THE CZAR'S DISARMAMENT PROPOSAL

The proposal of the Czar for a general reduction of the vast military establishments that weigh so heavily upon many peoples in time of peace was communicated to this Government, with an earnest invitation to be represented in the conference which it is contemplated to assemble with a view to discussing the means of accomplishing so desirable a result. His Majesty was at once informed of the cordial sympathy of this Government with the principle involved in his exalted proposal and of the readiness of the United States to take part in the conference. The active military force of the United States, as measured by our population, territorial area and taxable wealth, is, and under any concelvable prospective conditions must continue to be, in time of peace so conspicuously less than that of the armed Powers to whom the Czar's appeal is especially addressed, that the question appeal is especially addressed, that the question can have for us no practical importance save as marking an auspicious step toward the betterment and goodwill among them; but in this view it behooves us as a nation to lend countenance and aid to the beneficent project.

The claims of owners of American sealing vessels for selzure by Ruzsian cruisers in Behring Sea are being pressed to a settlement. The

vessels for selzure by Ruzsian cruisers in Behring Sea are being pressed to a settlement. The equities of the cases justify the expectation that a measure of reparation will eventually be accorded in harmony with precedent and in the light of the proved facts.

The recommendation made in my special measure of April 27 last is renewed, that appropriation be made to reimburse the master and owners of the Russian bark Hans for wrongful arrest of the master and detention of the vessel in February, 1896, by officers of the United States District Court for the Southern District of Mississippi. The papers accompanying my of Mississippl. The papers accompanying my said message make out a most meritorious claim, and justify the ursency with which it has been presented by the Government of

SAMOAN AFFAIRS.

Malietoa Laupepa, King of Samoa, died on August 22 last. According to Article I of the General Act of Berlin, "his successor shall be duly elected according to the laws and customs of Samoa."

Arrangements having been agreed upon between the signatories of the general act for the return of Mataafa and the other exiled Samoan chiefs, they were brought from Jaluit by a German war vessel and landed at Apia on Septem-

Whether the death of Malletoa and the return of his old-time rival, Mataafa, will add to the undestrable complications which the executive of the tripartite general act has heretofore developed, remains to be seen. The efforts of thi Government will, as heretofore, be addresse toward a harmonious and exact fulfilment of th The efforts of this

terms of the international engagement to which the United States became a party in 1889.

The Cheek claim against Slam, after some five years of controversy, has been adjusted by in the Treasury gold coin amounting to \$138. 1897, an award of 706,721 ticals (about \$187,trator, Sir Nicholas John Hannen, British Chief Justice for China and Japan.

An envoy from Slam has been accredited to

this Government and has presented his creden-

GENEVA ARTICLES IN NAVAL WAR.

Immediately upon the outbreak of the war with Spain, the Swiss Government, fulfilling the high mission it has deservedly assumed as the patron of the International Red Cross, proposed to the United States and Spain that they should severally recognize and carry into execution, as a modus vivendi, during the continuance of hostilities, the additional articles proposed by the international conference of Geneva, October 20, 1868, extending the effects of the existing Red Cross convention of 1864 to the conduct of naval war. Following the example set by France and Germany in 1870 in adopting a medus vivendi, and in view of the accession of the United States to those additional articles in 1882, although the exchange of ratifications thereof still remain uneffected, the Swiss proposal was promptly and cordially accepted by us and simultaneously by Spain.

This Government feels a keen satisfaction in

having thus been enabled to testify its ad-herence to the broadest principles of humanity even amidst the clash of war, and it is to be even amidst the clash of war, and it is to be hoped that the extension of the Red Cross comhoped that the extension of the Red Cross com-pact to hostilities by sea as well as on land may soon become an accomplished fact through the general promulgation of the additional naval Red Cross articles by the maritime powers now parties to the convention of 1864. The important question of the claim of Switz-erland to the perpetual cantonal allegiance of American citizens of Swiss origin has not made hopeful progress toward a solution, and contro-

hopeful progress toward a solution, and contro

versies in this regard still continue CLAIMS AGAINST TURKEY.

The newly accredited Envoy of the United States to the Ottoman Porte carries instructions looking to the disposal of matters in contro versy with Turkey for a number of years. He is especially charged to press for a just settlement of our claims for indeminity by reason of the destruction of the property of American emissionaries resident in that country during the Armenian troubles of 1895, as well as for the recognition of older claims of equal justness.

He is also instructed to seek an adjustment of the dispute growing out of the refusal of Turkey to recognize the acquired citizenship of Ottoman-born persons naturalized in the United States since 1869 without prior imperial consent; and in the same general relation he is directed to endeavor to bring about a solution of the question which has more or less acutely ex-isted since 1809 concerning the jurisdictional rights of the United States in matters of criminal procedure and punishment under Article IV of the Treaty of 1830. This latter difficulty grows out of a verbal difference, claimed by Purkey to be essential, between the original Turkish text and the promulgated translation.

After more than two years from the appointment of a Consul of this country to Erzeroum,
he has received his exequatur.

THE VENEZUELA ARBITRATION.

The arbitral tribunal appointed under the Treaty of February 2, 1897, between Great Britain and Venezuela, to determine the boundary line between the latter and the colony of British Guiana, is to convene at Paris during the present month. It is a source of much gratification to this Government to see the friendly resort of arbitration applied to the settlement of earnest part we have had in bringing about the result, but also because the two members named on behalf of Venezuela, Mr. Chief Justice Fuller and Mr. Justice Brewer, chosen from our high-Interest we feel in the definitive adjustment of

THE BUREAU OF AMERICAN REPUBLICS. I have the satisfaction of being able to state that the Bureau of American Republics, created in 1890 as the organ for promoting commercial intercourse and fraternal relations among the countries of the Western Hemisphere, has become a more efficient instrument of the wise purposes of its founders, and is receiving the the international union which are actually repmercial directory, in two volumes, containing a mass of statistical matters descriptive of the industrial and commercial interests of the various countries has been printed in English, Spanish, Portuguese and French, and a monthly Spanish, Fortugues and distributed in the Latin-American countries, as well as in the United States, has proved to be a valuable medium for disseminating information and furthering the varied interests of the

such data before the public with the least delay, the practice was begun in January, 1818, of issuing the commercial reports from day to day as they are received by the Department of State. It is believed that for promptitude, as well as fulness of information, the service thus supplied to our merchants and manufacturers will be found to show sensible improvement and to merit the liberal support of Congress.

PRIVATE PROPERTY AT SEA IN WAR.

The experiences of the last year bring forciwaste of war. We desire, in common with most civilized nations, to reduce to the lowest possible point the damage sustained in time of war by peaceful trade and commerce. It is true we may suffer in such cases less than other communities, but all nations are damaged more or less by the state of uneasiness and apprehension into which an outbreak of hostilities throws the entire commercial world. It should be our ticable, this inevitable loss and disturbance. This purpose can probably best be accomplished by an international agreement to regard all private property at sea as exempt from capture or destruction by the forces of belligerent Powers. The United States Government has for many years advocated this humane and beneficent principle, and is now in position to recommend it to other Powers without the imputation of selfish motives. I therefore suggest for your consideration that the Executive be authorized to correspond with the governments of the principal maritime Powers with a view of incorporating into the permanent law of civilized nations the principle of the exemption of all private property at sea, not contraband of war, from capture or destruction by belligerent Powers. by an international agreement to regard all ent Powers.

THE GOVERNMENT'S RECEIPTS.

the receipts of the Government from all sources during the fiscal year ended June 30, 1898, including \$64,751,223 received from the sale of Pacific railroads, amounted to \$405,321,835, and its expenditures to \$443,368,582. There was collected from customs \$149,575,062, and from internal revenue \$170,900,641. Our dutiable imports amounted to \$324,035,479, a decrease of \$58,156,690 over the preceding year, and importations free of duty amounted to \$291.414.

175, a decrease from the preceding year of \$90,-524,068. Internal revenue receipts exceeded these of the preceding year by \$24,212,067.

The total tax collected on distilled spirits was \$92,546,999; on manufactured tobacco \$36,230,-522 and on fermented liquors \$39,515,421. We experted merchandise during the year amounting to \$1,231,482,330, an increase of \$180,488,774 from the preceding year. from the preceding year.

A DEFICIENCY ESTIMATED. It is estimated upon the basis of present rev-

enue laws that the receipts of the Government for the year ending June 30, 1899, will be \$577,-874.647, and its expenditures \$689.874,647, re-

On the 1st of December, 1898, there was held | cipal and interest." 441 547, gold bullion amounting to \$138,502,545, silver bullion amounting to \$93,359,250 and other forms of money amounting to \$451,963.5 other forms of money amounting to \$451,963,981.

On the same date the amount of money of all kinds in circulation or not included in Treasury holdings was \$1,880,879,504, an increase for the year of \$165,794,966. Estimating our population at 75,194,600 at the time mentioned the per capita circulation was \$25.00. On the same date there was in the Treasury gold bullion amounting to \$138,502,545.

THE NATIONAL CREDIT STRENGTHENED.

The provisions made for strengthening the resources of the Treasury in connection with the war have given increased confidence in the purpose and power of the Government to maintain the present standard and have established more firmly than ever the National credit at home and abroad. A marked evidence of this is found in the inflow of gold to the Treasury. Its net gold holdings on November 1, 1898, were \$239,885,162, as compared with \$153,573,147 on November 1, 1897, and an increase of net cash of \$207,756,100, November 1, 1897, to \$300,238,-275, November 1, 1898. The present ratio of net Treasury gold to outstanding Government liabilities, including United States notes, Treasury notes of 1890, silver certificates, currency certificates, standard silver dollars and fractional silver coin November 1, 1898, was 25,35 per cent. ompared with 16.96 per cent November 1,

GOLD FOR PAPER

I renew so much of my recommendation of December, 1897, as follows: That when any of the United States notes are presented for redemption in gold and are redeemed in gold such notes shall be kept and set apart and only paid out in exchange for gold. This is an obvious duty. If the holder of the United States note prefers the gold and gets it from the Government he should not receive back from the Government a United States note without paying gold in exchange for it. The reason for this is made all the more apparent when the Government issues an interest-bearing debt to provide gold for the redemption of United States notes a non-interest-bearing debt. Surely it shou for gold. If they are put out in any other way they may return again to be followed by an-other bond issue to redeem them another in-terest-hearing debt to redeem a non-interest-bearing debt.

This recommendation was made in the be-Hef that such provisions of law would insure to a greater degree the safety of the present standard, and better protect our currency from the dangers to which it is subjected from turbance in the general business conditions of

the country.

In my judgment the present condition of the Treasury amply justifies the immediate enactment of the legislation recommended one year ago, under which a portion of the gold holdings should be placed in a trust fund from which greenbacks should be redecimed upon presentation, but when once redeemed should not thereafter by trail out executions.

tion, but when once redeemed should not thereafter he paid out except for gold.

It is not to be inferred that other legislation relating to our currency is not required; on the contrary, there is an obvious demand for it. The importance of adequate provision which will insure to our future a money standard relat d as our money standard now is to that of our commercial rivals is generally recognized. The companion proposition that our domestic paper currency shall be kept safe and yet be so related to the needs of our industries and internal commerce as to be adequate and responsive to commerce as to be adequate and responsive to such needs is a proposition scarcely less impor-tant. The subject, in all its parts, is commended to the wise consideration of the Congress.

A MARITIME POLICY.

The annexation of Hawaii and the changed relations of the United States to Cuba, Porto-Rico and the Philippines resulting from the this controversy, not alone because of the war compel the prompt adoption of a maritime policy by the United States. There should be established regular and frequent steamship communication, encouraged by the United States, under the American flag, with the newly est court, appropriately testify the continuing acquired Islands. Spain furnished to its colonies, at an annual cost of about \$2,000,000,

Commissioners recommended an international dam and reservoir, approved by Mexico, but still under consideration by this Government, and has on several occasions. The claim of Victor H. McCord against Peru, which for a number of years has been pressed by this Government, and has on several occasions attracted the attention of the Congress, has

duty to furnish the people of Hawail with facilities, under National control, for their export and import trade. It will be cenceded that the present situation calls for legislation which shall be prompt, durable and liberal.

The part which American merchant vessels and their seamen performed in the war with Spain demonstrates that this service, furnishing both pickets and the second line of defence, is a National necessity, and should be encouraged in every constitutional way. Details and methods for the accomplishment of this purpose are discussed in the report of the Secretary of the Treasury, to which the attention of Congress is respectfully invited. respectfully invited.

THE YELLOW FEVER.

In my last annual Message I recommended that Congress authorize the appointment of a commission for the purpose of making systematic investigations with reference to the cause and prevention of yellow fever. This matter has acquired an increased importance as a result of the military occupation of the island of Cuba, and the commercial intercourse between this island and the United States which we have every reason to expect. The sanitary problems connected with our new relations with the island of Cuba and the acquisition of Porto Rico are no less important than those relating international union.

During the last year the important work of collecting information of practical benefit to American industries and trade through the agency of diplomatic and consular officers has been steadily advanced, and, in order to lay such data before the public with the least delay, such data before the public with the least delay, the wearless was begun in January, 1818, of to finance, commerce and administration. It is vances in sanitary science can offer to the tection of the health of our soldiers in those islands and of our citizens who are exposed to the dangers of infection from the importation of yellow fever. I therefore renew my recommendation that the authority of Congress may be given and a suitable appropriation made to provide for a commission of experts to be approved to the authority of the commission of experts to be approved to the authority of the commission of experts to be approved to the authority of the commission of experts to be approved to the authority of the commission of experts to be approved to the authority of the commission of experts to be approved to the commission of experts to be approximated. provide for a commission of exper-pointed for the purpose indicated.

INCREASE OF THE REGULAR ARMY. Under the act of Congress approved April 26, 1898, authorizing the President in his discretion, "under a declaration of war by Congress, or a declaration by Congress that war exists," I directed the increase of the Regular Army to the maximum of 62,000, authorized in

There are now in the Regular Army 57,862 officers and men. In said act it was provided "that at the end of any war in which the United States may become involved the Army shall be reduced to a peace basis by the transfer in the same arm of the service or absorption by promotion or honorable discharge, under such regulations as the Secretary of War may establish, of supernumerary commissioned officers and the honorable discharge or transfer of supernumerary enlisted men; and nothing contained in this act shall be construed as authorizing the permanent increase of the commissioned or enlisted force of the Regular Army beyond that now provided by the law in force prior to the passage of this act, except as to the increase of twenty-five majors provided for in Section 1 hereof."

The importance of legislation for the permanent increase of the Army is therefore manifest, and the recommendation of the Secretary of War for that purpose has my unqualified approval. There can be no question that at this time, and probably for some time in the future, one hundred thousand men will be none too many to meet the necessities of the situation. At all events, whether that number shall be received a permanently or not, the power should promotion or honorable discharge, under such

many to meet the necessities of the situation. At all events, whether that number shall be required permanently or not, the power should be given to the President to enlist that force if in his discretion it should be necessary; and the further discretion should be given him to recruit for the Army within the above limit from the inhabitants of the Islands with the government of which we are charged.

It is my purpose to muster out the entire volunteer army as soon as the Congress shall provide for the increase of the regular establishment. This will be only an act of justice, and will be much appreciated by the brave men who left their homes and employments to help the country in its emergency.

THE PACIFIC RAILROADS.

THE PACIFIC RAILROADS.

In my last annual message I stated: "The Union Pacific Railway, main line, was sold under the decree of the United States Court for the District of Nebraska, on the 1st and 2d of November of this year. The amount due the Government consisted of the principal of the subsidy bonds, \$27,236,512, and accrued interest thereon, \$31,211,711 75, making the total indebtedness \$58,448,223.75. The bid at the sale covered the first mortgage lien and the entire mortgage claim of the Government, prin-

This left the Kansas Pacific case unincluded. | themselves in the war with Spain. By a decree of the Court in th price for the property was fixed at a sum which would yield to the Government only \$2,500,000 upon its lien. The sale at the in-stance of the Government was postponed first to December 15, 1897, and later, upon the appli-cation of the United State.

December 15, 1897, and later, upon the application of the United States was postponed to the 16th day of February, 1898.

Having satisfied myself that the interests of the Government required that an effort should be made to obtain a larger sum, I directed the Secretary of the Treasury, under the act passed March 3, 1887, to pay out of the Treasury to the persons entitled to receive the same the amounts due upon all prior mortgages upon the eastern and middle divisions of said railroad out of any money in the Treasury not otherwise appropriated. Whereupon the Attorney-General prepared a petition to be presented to the Court, offering to redeem said prior liens in such manner as the Court might direct, and praying that to redeem said prior liens in such manner as the Court might direct, and praying that thereupon the United States might be held to be subregated to all the rights of said prior lien holders and that a receiver might be appointed to take possession of the mortgaged premises and maintain and operate the same until the Court or Congress otherwise directed. Thereupon the Reorganization Committee agreed that if said petition was withdrawn and the sale allowed to proceed on the 16th of February, 1898, they would hid a sum at the sale which would realize to the Government the entire principal of its debt, \$6,303,000.

Believing that no better price could be obtained, and appreciating the difficulties under which the Government would labor if it should

tained, and appreciating the difficulties under which the Government would labor if it should become the purchaser of the road at sale, in the absence of any authority by Congress to take charge of and operate the road I directed that upon the guarantee of a minimum hid, which should give the Government the principal of the dock the sale should proceed by old of the debt, the sale should proceed. By is transaction the Government secured an vance of \$3,803,000 over and above the sum high the Court had fixed as the upset price of which the Reorganization Committee had declared was the maximum that they would pay for the property. It is a gratifying fact that the result of

It is a gratifying fact that the result of these proceedings against the Union Pacific system and the Kansas Pacific line is that the Government has received on account of its subside claim the sum of \$64,751,223.75, an increase of \$18,997,163.76 over the sum which the Reorganization Committee originally agreed to bid for the joint property, the Government receiving its whole claim principal and interest on the Union Pacific and the principal of the details of the Kansas Pacific Railroad. its debt on the Kansas Pacific Railroad. Steps had been taken to foreclose the Gov-ment's lien upon the Central Pacific Rail-id Company, but before action was com-meed, Congress passed an act approved July

menced, Congress passed an act approved July 7, 1898, creating a Commission consisting of the Secretary of the Treasury, the Attorney-General and the Secretary of the Interior and their successors in office with full power to settle the indebtedness to the Government growing out of the issue of the bonds in aid of the construction of the Central Pacific and Western Pacific bond-aided railroads, subject to the approval of the President.

No report has yet been made to me by the Commission thus created. Whatever action is had looking to a settlement of the indebtedness in accordance with the act referred to will be duly submitted to the Congress.

ness in accordance with the act referred to will be duly submitted to the Congress.

DEPARTMENT OF JUSTICE'S BUILDING.

I deem it my duty to call to the attention of Congress the condition of the present building occupied by the Department of Justice. The business of that Department has increased very greatly since it was established in its present quarters. The building now occupied by it is neither large enough nor of suitable arrangement for the proper accommodation of the business of the Department.

The supervising architect has pronounced it unsafe and unsuited for the use to which it is put. The Attorney-General in his report states that the library of the Department is upon the fourth floor, and that all the space allotted to it is so crowded with books as to dangerously overload the structure. The first floor is occu-pled by the Cou't of Claims. The building is of an old and dilapidated appearance, unsuited to the dignity which should attach to this im-roctant becaute. portant Department
A proper regard for the safety, comfort and

GROWTH OF THE POSTAL SERVICE.

The postal service of the country advances years both the revenues and the expenditures the Postoffice Department have multiplied more rapidly than our population. It now involves an expenditure of \$100,000,000 a year, numbers 73,000 postoffices and enrolls 200,000 employes. This remarkable extension of a ser- of the West, and collecting information regardvice which is an accurate index of the public conditions presents gratifying evidences of the advancement of education, of the increase of communication and business activity, and of the improvement of mail facilities, leading to their constantly augmenting use,

The war with Spain laid new and exceptional abors on the Postoffice Department. The sustering out the military and naval forces of mustering out the military and naval forces of the United States required special mail ar-rangements for every camp and every cam-paign. The communication between home and camp was naturally eager and expectant. In some of the larger places of rendezvous as many as fifty thousand letters a day required handling. This necessity was met by the prompt detail and dispatch of experienced men from the es-tablished forces by directing all the instruand dispatch of experienced men from the es-tablished forces by directing all the instru-mentalities of the railway-mail and postoffice service so far as necessary to this new need. Congress passed an act empowering the Post-master-General to establish offices or branches at every military camp or station, and under this authority the postal machinery was speed-ily put into effective operation.

this authority the postal machinery was speedily put into effective operation.

Under the same authority, when our forces moved upon Cuba, Porto Rico and the Philippines, they were attended and followed by the postal service. Though the act of Congress authorized the appointment of postmasters where necessary, it was tarly determined that the public Interests would best be subserved, not by new designations, but by the detail of experienced men, familiar with every branch of by new designations, but by the data the perfenced men, familiar with every branch of the service, and this policy was steadily followed. When the territory which was the theatre of conflict came into our possession, it became necessary to re-establish mail facilities. for the resident population, as well as to provide them for our forces of occupation, and the former requirement was met through the extension and application of the latter obligation. tension and application of the latter obligation. I gave the requisite authority, and the same general principle was applied to this as to other branches of civil administration under military occupation. The details are more particularly given in the report of the Postmaster-General, and, while the work is only just begun, it is pleasing to be able to say that the service which has come under our control is already materially improved. materially improved.

INCREASE OF THE NAVY.

The following recommendations of the Secre tary of the Navy relative to the increase of the Navy have my earnest approval:

First-Three sea-going sheathed and coppered battle-ships of about 13,500 tons trial displacement, carrying the heaviest armor and most powerful ordnance for vessels of their class, and to have the highest practicable speed and great radius of action. Estimated cost, exclusive of armor and armament, \$3,600,000 each. Second-Three sheathed and coppered armored

cruisers of about 12,000 tons trial displacement, carrying the heaviest armor and most powerful ordnance for vessels of their class, and to have the highest practicable speed and great radius of action. Estimated cost, exclusive of

have the highest practicable speed and great radius of action. Estimated cost, exclusive of armor and armament, \$4,000,000 each.

Third—Three sheathed and coppered protected cruisers of about 6,000 tons trial displacement, to have the highest possible speed and great radius of action, and to carry the most powerful ordnance suitable for vessels of their class. Estimated cost, exclusive of armor and armament, \$2,150,000 each.

Fourth—Six sheathed and coppered cruisers of about 2,500 tons trial displacement; to have the

Fourth—Six sheathed and coppered cruisers of about 2,500 tons trial displacement; to have the highest speed compatible with good cruising qualities, great radius of action, and to carry the most powerful ordnance suited to vessels of their class. Estimated cost, exclusive of armament, \$1,141,800 each.

I join with the Secretary of the Navy in recommending that the grades of Admiral and Vice-Admiral be temporarily revived, to be filled by officers who have specially distinguished themselves in the war with Spain.

taking of the Twelfth Census. This is neces-

sary in view of the large amount of work which

THE TWELFTH CENSUS I earnestly urge upon Congress the importance of early legislation providing for the

must be performed in the preparation of the schedules preparatory to the enumeration of the population. THE PENSION ROLLS.

There were on the pension rolls on June 30, 1898, 993,714 names, an increase of nearly 18,000 over the number on the rolls on the same day of the preceding year. The amount appropriated by the act of December 22, 1896, for the payment of pensions for the fiscal year of 1898 was \$140,000,000. Eight million seventy thousand eight hundred and seventy-two dollars and forty-six cents was appropriated by the act of March 31, 1898, to cover deficiencies in Army pensions, and repayments in the sum of \$12, 020 33, making a total of \$148,082,892 79 available for the payment of pensions during the fiscal year 1898. The amount disbursed from fiscal year 1898. The amount disbursed from that sum was \$144.651,879.80, leaving a balance of \$3,431,012.99 unexpended on the 30th of June 1898, which was covered into the Treasury. There ere 389 names added to the rolls during the arr by special acts passed at the second ses-n of the LVth Congress, making a total of 6,486 pensioners by Congressional enactments since 1861.

The total receipts of the Patent Office during the past year were \$1,253,948.44. The exenditures were \$1,081,633.79, leaving a surplus

of \$172,314 65. The public lands disposed of by the Government during the year reached 8,453,896,92 acres, an increase of 614,780,26 acres over the previous year. The total receipts from public lands dur-ing the fiscal year amounted to \$2,277,995 18, an increase of \$190,063 90 over the preceding year. The lands embraced in the cleven forest reserva tions, which were suspended by the act of Jun-4, 1897, again became subject to the operations of the proclamations of February 2, 1897, creat m, which added an estimated amount of 19,951,360 acres to the area embraced in the reserves previously created. In addition theretwo new reserves were created during the the Pine Mountain and Zac and the Prescott Reserve, in Arizona, embracing 10,240 acres; while the Pecos River Reserve, in New-Mexico, has been changed and enlarged to include 120,000 additional acres

THE FOREST RESERVES

At the close of the year thirty forest reservations, not including those of the Afognac Forest and the Fish Culture Reserve in Alaska, had been created by executive proclamations under Section 24 of the act of March 3, 1891, embracing an estimated area of 40,719,474 acres.

The Department of the Interior has inaugurated a forest system, made possible by the act of July, 1898, for a graded force of officers in control of the reserves. This system has only been in full operation since August, but good results have already been secured in many sections. The reports received indicate that the system of patrol has not only prevented destructive fires from gaining headway, but has diminished the number of fires.

INDIAN AFFAIRS. The special attention of the Congress is called to that part of the report of the Secretary of the Interior in relation to the Five Civilized Tribes. It is noteworthy that the general condition of the Indians shows marked improvement. But one outbreak of a serious character occurred during the year, and that among the

Chippewa Indians of Minnesota, which happily

has been suppressed. While it has not yet been practicable to en force all the provisions of the Act of June 28, 1898, "for the protection of the people of the Indian Territory and for other purposes," it is having a salutary effect upon the nations com-posing the Five Tribes. The Dawes Commisconvenience of the officers and employes would | slop reports that the most gratifying results | Clayton-Bulwer treaty.

justify the expenditure of a liberal sum of money in the erection of a new building of commodous proportions and handsome appearance upon the very advantageous site already secured for that purpose, including the ground occupied by the present structure and adjoining vacant lot, comprising in all a frontage of 1201 feet on Pennsylvania-ave, and a depth of 136 feet.

In this connection I may likewise refer to the inadequate accommodations provided for the Supreme Court in the Capitol, and suggest the wisdom of making provision for the erection of a separate building for the court and its officers and library upon available ground near the Capitol.

may be useful to the United States, and with the further view of opening up markets for our surplus products. The Forestry Division of the with extraordinary growth. Within twenty Department is giving special attention to the treeless regions of our country, and is introducing species specially adapted to semi-arid regions. Forest fires, which seriously interfere ly doubled. Our postal business grows much with production, especially in irrigated regions. are being studied that losses from this cause may be avoided. The Department is inquiring into the use and abuse of water in many States ing the laws of the States, the decisions of the courts and the customs of the people in this regard, so that uniformity may be secured. Experiment stations are becoming more effective every year. The annual appropriation of \$720,-000 by Congress is supplemented by \$400,000 been conducted to ascertain the suitableness as to sell and climate and States for growing sugar

beets. The number of sugar factories has been doubled in the last two years, and the ability of the United States to produce its own sugar from this source has been clearly demonstrated.

The Weather Bureau forecast and observation stations have been extended around the Caribbean Sea to give early warning of the approach of hurricanes from the South Seas to our fleets and merchant marine. and merchant marine.

THE ANNIVERSARY OF THE CAPITAL

In the year 1900 will occur the centennial anniversary of the founding of the city of Washington for the permanent capital of the Government of the United States by authority of an act of Congress approved July 16, 1790. In May. 1800, the archives and general offices of the Federal Government were removed to this place. On the 17th of November, 1800, the National Congress met here for the first time, and assumed exclusive control of the Federal district and city. This interesting event assumes all the more significance when we recall the circumstances attending the choosing of the site, the naming of the capital in honor of the Father of His Country, and the interest taken by him in the adoption of plans for its future de-velopment on a magnificent scale. These original plans have been wrought out with a constant progress and a signal success

with a constant progress and a signal success even beyond anything their framers could have foreseen. The people of the country are justly proud of the distinctive beauty and government of the capital, and of the rare instruments of science and education which here found their natural home. A movement lately inaugurated by the citizens to have the anniversary celebrated with fitting ceremonies, including, perhaps, the establishment of a handsome nerman aps, the establishment of a handsome permahaps, the establishment of a handsome permanent memorial to mark so historical an occasion, and to give it more than local recognition, has met with general favor on the part of the public. I recommend to the Congress the granting of an appropriation for this purpose, and the appointment of a committee from its respective bodies. It might also be advisable to authorize the President to appoint a committee from the country at large, which, acting with the Congressional and District of Columbia committees, can complete the plans for an appropriate Na-

can complete the plans for an appropriate Na-tional celebration.

The Allen Contract Labor law is shown by experience to need some amendment. A measure providing better protection for seamen is proposed; the rightful application of the eighthour law for the benefit of labor and of the principle of arbitration is suggested for consideration; and I commend these subjects to the

careful attention of the Congress.

The several departmental reports will be laid before you. They give in great detail the conduct of the affairs of the Government during the last year, and discuss many questions upon which the Congress may feel called upon to act.

WILLIAM M'KINLEY.

Executive Mansion, Dec. 5, 1898.

COMMENTS OF LONDON PRESS.

BOTH PRAISE AND CRITICISM FOR THE MESSAGE OF THE PRESIDENT. London, Dec. 6.-Much having been expected, there is a certain tone of disappointment in the

morning paper editorials on President McKinley's Message. Its non-committal character is attributed to the fact that the negotiations of the Peace Commissions at Paris have not yet finished. Considerable satisfaction is expressed at the references to Anglo-American relations and at the coldness displayed toward Russia. "The Daily News" complains of the "ambiguity of the Message on commercial and currency matters" and "the conspicuous absence of any allusion to free trade."

"The Times" says:

It is creditable to both the dignity and good ense of the American people that a message nnouncing the victorious ending of a great war. the acquisition of territory and the initiation of an imperialist policy is sober intone and moderate in recommendations. The war has finally healed the half-closed wounds left after the titanic conthe half-closed womans let use the half-closed womans let use the Secession, and we hope it has exercised a healing influence to be felt even more widels and deeply in another direction.

Not since England recognized the United States Government as an independent power has an American President alluded to the mother to language so cordial and friendly as intry in language so cordial and friendly

Discussing the Message approvingly in detail and referring to British rights in Nicaragua under the Clayton-Bulwer treaty, "The Times"

If the freedom of the waterway is secured to ships of all nations, as in the Suez Canal, we shall not need to stand strictly upon claims which originated when the circumstances were

"The Dally Chronicle" also pays a tribute to the "sober, sound common-sense and straightforward language" of the Message, pointing out that President McKinley's reference to the military occupation of Cuba virtually outlines a poltoy "precisely the same as that of Great Britain in Egypt, and likely to have the same effect."

Commenting upon "the President's surprising language concerning the Nicaragua Canal, which utterly ignores British treaty rights," "The Daily Chronicle" says that "this matter will arise ere long in a more acute form." The editorial highly approves Mr. McKinley's references to China and Great Britain.

"The Standard" says:

Few could have foretold that the war would work so rapid and drastic a change. How abso-lute the metamorphosis is may best be gathered from a comparison with previous Messages. It is not rash to predict that the United States will advance in the path upon which their feet are

"The Standard" construes Mr. McKinley's references to China as "a declaration that had the 'open door' been closed or obstructed, America would have interfered actively." It adds upon For all purposes of British policy no intima

tion could be more welcome than that the United States will appoint a committee to study the conditions in China. "The Daily Telegraph," which regards the announcement that the United States will support the "open door" in China as the weightlest

which the Message contains, says: With such common interests to unite us, formal alliances are unnecessary.

"The Daily Mail" says:

We are disappointed and surprised at this at-tempt to set aside the Clayton-Bulwer treaty, especially in view of the Anglo-American en-tente. "The Morning Post," on the other hand, says

Circumstances have changed, and the American attitude toward the treaty is quite ble, but the immediate task awaiting Mr berlain is the assimilation into his admirable sentimental view of the Angio-American rela-tions of the thorny problem associated with the

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COMMENTS ON THE MESSAGE

OPINIONS EXPRESSED BY MEMBERS OF CONGRESS.

GENERALLY CONSIDERED AN ABLE PRESENTA-TION OF THE SITUATION-SOME DISAPPOINT

LATING TO NEW POSSESSIONS

Washington, Dec. 5.-Following are some of the opinions expressed by members of Congress on the

opinions expressed by members of Congress on the President's Message:

Representative HiTT, chairman of the House Committee on Foreign Affairs—The President has summarized and solved in an able and felicitous manner many of the questions in men's minds everywhere touching the immense and rapidly succeeding recent events and the situation in which the Nation finds itself. His simple proposition to let the new possessions alone under just and firm government proposition of the committee of the control of the committee of the control of the co recent events and the situation in which the Na-tion finds itself. His simple proposition to let the new possessions alone under just and firm govern-ments by the military arm which conquered them gives us time for pienty of discussion of all the propositions for their permanent government. The problem of governing the Cubans he deals with gently and hopefully, and everybody will wish that his forecast of stable government there will be realized sooner than ever yet has happened to a Spanish-American population.

Chairman DINGLEY of the Ways and Means Committee—The Message is an excellent resume of the important events of the last year, with a clear presentation of the existing situation and valuable suggestions that will aid materially at the proper time hereafter in solving the problems before us. It is to be noted that the Preedlent states that our revenue laws are working well, with no suggestion of any needed modification. The Message, although lengthy, is so valuable a recital of the history-making events of the last year that it will be read with unusual interest.

Representative WALKER, chairman of the Committee on Banking and Currency—I am asked what I think of the currency and banking features of the President's Message. I do not see that it has any such features. I have not been able to detect any. It contains only one recommendation as to the currency, repeating that of a former Message to change the United States legal-tender notes into gold certificates, which would have no effect on the lanking and currency situation but to add to the burden of taxation, without in any degree favorably affecting the general banking and currency situation but to add to the burden of taxation, without in any degree

rency situation.

Mr. RICHARDSON (Dem., Tenn.)—The President makes a most interesting and satisfactory review of the Spanish war, but it is disappointing that he failed to tell us what we are to do with the new possessions. It is just as appropriate now as it will be after the treaty of peace for him to tell us what is to be the future of the new territory. It might help to get the treaty ratified if he had solved that problem. It is interesting to note the fact that three-fourths of the Message relates to foreign affairs, and less than one-fourth to home matters. Banking and currency and all official reform legislation, so properly promised in 1896, get no mention, and our condition in respect to these matters is to be left unchanged.

Mr. RUNGHAM (Ren., Penn.)—A brave, clear and

Mr. BINGHAM (Rep., Penn.)—A brave, clear and comprehensive Message. Strong as the President is in the confidence and esteem of the people, his Message will insure greater confidence, if possible, and strengthen his recommendations to Congress in carrying out a wise and Christian policy in connection with the many obligations the war has forced upon us.

Mr. GROSVENOR (Rep., Ohio)—The Message is not along beaten paths. It is not encumbered with platitudes, and is written in a very attractive style. The contributions to history in the claborate reditation of the events of the war are in good taste and devoid of hossing or vanity. The comment upon the incidents of the war and the valor of our men-naval and military—and the fine work of all our seamen and artificers will be found fully justified by the facts. The views of the President upon the question of currency reform will meet the intelligent sanction of sound money men of all parties. The wild scope of the Message, touching so many great questions, forbids a detailed review in this brief interview. The Message on the whole is able and eminently satisfactory, and I believe will be generally indorsed at home and abroad.

General WHEELER (Dem., Ala.)—It is a clear and comprehensive résumé of events which transpired during an eventful period of our country's history, it will be referred to as one of the noted state pa-

Representative M'MILLIN (Dem., Tenn.)—Op the most important question confronting the Nation—what shall we do with our newly acquired possessions—the President's Message reminds me of the caption of the last chapter of Johnson's "Rasselas"—The Conclusion in Which Nothing is Concluded."

Representative BLAND (Dem., Mo.)-The Message very brief, and contains nothing new, and nothing beyond former recommendations. I might remark that on the great leading issue—which is and will be the paramount question, the free coinage of silver—the Message is ominously silent, but no proposition on the money question can be con-sidered without at the same time considering this

Representative CUMMINGS (Dem. N. Y.)—It is a clear, concise statement of facts, without speculation, suggestion or recommendation. I have an idea that the real Message will be sent in here-

Penresentative BAILEY, of Texas, the Democratic leader, was called from the House by the illness of his son, and asked to be excused from expressing his views on the Message. Many Senators excused themselves from express

ing an opinion at length on the Message, on the ground that they had not been able to give careful attention to all the details. Republican Senstors were, however, willing to express themselves in a few general words of commendation. Senator CULLOM regarded it as "a painstaking

entertaining and accurate historical review. Senator PLATT, of New-York, commended the expression of a determination to increase the standing Army and to maintain order in Cuba until the Cubans can take care of themselves. Senator WOLCOTT said it was an admirable

Senator LODGE said it was able and excellent. Senator FORAKER-A good presentation of facts, generally, but a little indefinite on the ques-

tion of Cuban independence. Senator PROCTOR-A good American paper Senator PERKINS-An able resume of the situation, and of the facts leading up to the war. The Democrats were even more averse than the Republicans to discussing the paper. Senator

JONES, of Arkansas was an exception. He found in the Message a number of points which did not ac cord with his views. One of these was the proposition to continue the volunteer army in existence until do not favor the increase of the standing army." that a majority stands with him on that proposi-The Senator also questioned the President's right to hold the volunteers in service beyond the time of signing the peace treaty, saying on this "There is no war in existence, and none is imminent. The law requires one or the other con dition, and the threat of the President to hold the volunteers in the service until the standing army is increased beyond what the consciences of Senators and members dictate looks to me like a men ace and an effort to dictate, which I consider an outrage and unpardonable." Senator Jones interpreted the President's expression on the finances as a declaration for the gold standard and the retirement of the greenbacks, and said that he did not believe that anything like a majority of the American people would indorse him in this respect He also announced himself as opposed to a substdy to vessels connecting the United States with Porto Rico, Cuba and the Philippines, as opposed to legislation for construction of the Nicaragua Canal as at present contemplated, and expressed the opinion that the President was inclined to go further in the matter of the government of Cuba than the resolution of intervention had called for. We declared," he said on this point, "in favor of taking them to that point at which they could maintain a stable government, and I do how we can go beyond that. To go to the of insuring, as the President recommends, a co plete tranquillity might prove a pretext for a milltary government and permanent occupation never to be ended. I do not indorse any such under

Senator Jones also expressed surprise at the absence of any recommendation concerning the Philippines. "The question of the government of the Philippines is attracting much attention," he said, "and the fact that the President utterly ignores it strikes me as very singular."

Senator PASCO also commented on the absence of any reference to "points concerning which we most desire information." He said, however, that it was a valuable historical paper, and would be con-

Senator TELLER said there would be disappoint-